

## For What It's Earth

Global ESG Headlines from Step toe

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### Litigation

ClientEarth continues with legal challenges against organizations on climate issues. In February 2023 it filed two law suits in the UK: first against Shell's directors, alleging breach of their duties under UK law by failing to put in place a climate strategy in line with the UN Paris Agreement, and a second, the first of its kind, against the UK's financial regulator (FCA) over its approval of the listing of the company Ithaca on the London Stock Exchange, claiming failure to assess properly climate-related risks.



### Standards

The European Commission has proposed a 90% reduction in CO2 emissions for new heavy-duty trucks by 2040, as part of its efforts to reach carbon neutrality by 2050. The proposed regulations would require manufacturers to significantly reduce the emissions from new trucks, and incentivize the adoption of zero- and low-emissions vehicles. This development signals a growing global shift towards sustainable transport, and provides an opportunity for companies to invest in new cleaner technologies and stay ahead of regulatory requirements.



### Legislation

A new bill introduced in California could require companies with more than \$1 billion in revenue to disclose their scope 3 emissions, which include indirect emissions from sources such as supply chains and transport. The bill would give the state more power over climate disclosures than the US Securities and Exchange Commission (SEC), which is yet to mandate such reporting, but poised to adopt final rules later this year.



### Standards

On February 13, the European Commission proposed new rules, through two Delegated Acts, to define what constitutes renewable hydrogen in the EU. As the EU is looking to increase investments in renewable energy in the coming years, the new rules proposed by the Commission will help direct EU funds towards renewable hydrogen and guide the Commission's approval of national state aid schemes in this sector. The Delegated Acts now have to be approved by the European Parliament and the Council, which have two months to accept or reject the Commission's proposal.



### Statement

**“Amid rising interest rates and inflation, younger investors in Gen Y and Gen Z see ESG ratings as a key element affecting their investment decisions, aside from returns on investment.”**

Kampon Adireksombat, senior vice-president of Siam Commercial Chief Investment Office quoted by Bangkok Post, February 14, 2023

In a February 14 article published by the Bangkok Post, senior vice-president of Siam Commercial Bank Chief Investment Office, Kampon Adireksombat, was quoted on the challenges posed by greenwashing on ESG investment, advising investors to take into account ESG ratings before allocating funds.